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Lotteries In Alberta.



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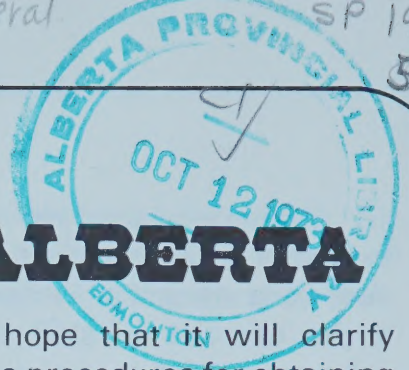
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LOTTERIES IN ALBERTA

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LOTTERIES IN ALBERTA

We are publishing this pamphlet in the hope that it will clarify the law governing gambling in Alberta and the procedures for obtaining licences to operate lotteries, bingos and other games of chance. This pamphlet is of a general nature and as the law governing gambling is complex, we urge you to consult your lawyer for advice on any specific situation.

Gambling is not new. References to gambling and gaming devices are found in historical accounts many centuries before the birth of Christ.

Generally speaking, all forms of gambling are "unlawful" in the sense that the courts will not enforce gambling contracts, e.g. a person who wins a bet on a football game cannot resort to the courts to collect his winnings.

The exception to this general rule is those forms of gambling authorized by the Federal Government, e.g. pari-mutuel betting on horse racing, and games of chance authorized by a Provincial Government licence.

In addition, most forms of gambling have been declared illegal by the Criminal Code of Canada. In this respect, it is important to remember that the conditions under which gambling occurs determine whether there is a criminal offence. For example, persons who engage in a friendly poker game in their own home or club are not breaking the criminal law, but if a fee is charged for participating in the game, then it is a breach of the "common gaming house" provisions of the Criminal Code. Another example of this distinction is bingo games. If they are played, even when prizes are awarded, without a charge being made for the right to play the game, there is no breach of the Criminal Code. This is sometimes done by social clubs, but if an indirect charge is made for the cards, for example, by a special fee for food or liquor, there would be a breach of the Criminal Code as would also be the case if a fee was charged for the right to play the game. As will be explained later in this booklet, licences can be issued by the Provincial Government for some forms of gambling which, without such a licence, would be a breach of the Criminal Code.

Lotteries, legal or illegal, have always been popular. Various forms of lottery are as old as recorded history. A lottery may be described as a distribution of a prize wholly dependent upon chance. If the exercise of skill can and does contribute to the success, the scheme is not a lottery, although chance may play a part in it. Competitions promoted in connection with trade or business are unlawful if the participants must purchase a product or pay a fee in order to participate, and unless the success depends to a substantial degree upon the exercise of skill.

Since 1970, the Provincial Government has been authorized by the Criminal Code of Canada to issue licences in certain instances, to qualified organizations to conduct lotteries.

In Alberta, lottery licences are issued by the Attorney General's Department. All inquiries relating to lottery licences should be directed to:

714 Madison Building
9919 - 105 Street
Edmonton, Alberta
T5K 2E8

Telephone - 425-1320, extension 208.

WHAT TYPES OF LOTTERIES CAN BE LICENSED?

1. Bingo Lotteries — A game of chance played with cards bearing numbers or other symbols. The holder of the card, after paying for the right to play the card, covers the numbers or symbols when the objects similarly numbered or designated, are drawn by chance. The game is won by the person who first covers a previously designated arrangement of numbers or symbols.

2. Raffle Lotteries — A game of chance restricted to the selling of rights to participate in prizes determined by the drawing for prizes by chance.

3. Sports Lotteries — A game of chance based on the results of a national sporting event. It is essential that the participants are **not** given the opportunity to exercise any skill or judgment in the purchase of a ticket, or be allowed to select a ticket bearing a particular

score, or a particular time at which a goal or point is scored. All tickets **must** be assigned on the basis of **pure chance**. As a matter of Provincial Government policy, only national sporting events may form the basis of such a lottery, and not a local or provincial event.

In addition to the above, the Criminal Code of Canada makes provision for the licensing of agricultural fairs or exhibitions, or the operator of a concession leased by an agricultural fair or exhibition board, and public places of amusement.

WHO CAN QUALIFY FOR A LICENCE FROM THE PROVINCIAL GOVERNMENT?

The Criminal Code of Canada only permits the Alberta Government to issue a lottery licence (which includes bingo) to a religious or charitable organization **if the proceeds are to be used for a religious or charitable purpose**.

WHAT IS A CHARITABLE ORGANIZATION?

A "charitable organization" includes any bona fide service, charitable, fraternal, community or educational organization which operates without profit to its members.

WHAT IS MEANT BY A CHARITABLE OBJECT OR PURPOSE?

"Charitable object or purpose" means any object or purpose for:

- a) the relief of poverty,
- b) education,
- c) the advancement of religion,
- d) any purpose beneficial to the community.

Organizations such as golf clubs and curling clubs which operate without profit to their members and which provide a service to the community generally in the sense that members of the community can

use the facilities may, in some circumstances, qualify as a charitable organization. This would not be true of a club or organization which restricts its facilities to members only.

HOW DO YOU OBTAIN A LICENCE?

Application forms may be obtained from 714 Madison Building, 9919 - 105 Street, Edmonton, Alberta, T5K 2E8. You may write to this address for an application form, or you may telephone 425-1320, extension 208. Application forms are also available at the local detachment offices of the Royal Canadian Mounted Police, and at the police stations in Edmonton, Calgary, Lethbridge, Camrose, and Medicine Hat.

When you have completed the application form, it should then be mailed or delivered to 714 Madison Building, 9919 - 105 Street, Edmonton, Alberta T5K 2E8, at least one month before the date of the lottery in order to give us sufficient time to obtain any additional information we may need to process the application.

WHAT CONDITIONS APPLY TO AN ORGANIZATION WHICH RECEIVES A LICENCE TO CONDUCT A LOTTERY?

1. The organization is required to maintain all funds received from the sale of lottery tickets in a separate account, and to maintain the records until advised by the licensing authority that the records may be destroyed.

2. The gross receipts derived from the lottery are to be used for the charitable or religious object or purpose as set out in the application, or as specified in the licence, less the cost of the prizes awarded, and such reasonable and necessary administrative expenses actually incurred in the management and conduct of the lottery (provided the expenses do not exceed such limits as may be prescribed in the licence).

3. The licensee may be required to keep such records as may be necessary to establish that the tickets which have been sold are included in the draw.

4. The licensee is required to submit to 714 Madison Building, 9919 - 105 Street, Edmonton, Alberta, T5K 2E8, not later than 30 days after the date of the lottery, a written statement showing the following:

- a) The total gross receipts derived from the lottery;
- b) The total value and description of the prizes actually awarded;
- c) The total expenses incurred in conducting the lottery;
- d) An itemized listing of all expenses incurred in managing and conducting the lottery;
- e) The total amount donated for the religious or charitable purposes set forth in the application for licence, and the organization to which the proceeds were donated;
- f) The names and addresses of the prize winners.

The licensing authority may request an audit of the financial statement by an independent accountant.

The licensee may be required to publish the financial statement in a newspaper circulated in the area where the lottery was conducted.

5. The licensee is required to guarantee payment of the prizes, regardless of the success of ticket sales.

6. As a licence issued by the Alberta Government is effective only within the boundaries of the Province, tickets should not be sold outside the Province of Alberta, nor should any advertising be conducted outside the Province of Alberta.

7. The licensing authority may impose additional conditions having regard to the nature and scope of the lottery scheme.

ARE THERE CIRCUMSTANCES UNDER WHICH A LICENCE WILL NOT BE ISSUED?

Yes. For example:

1. where a substantial portion of the proceeds of the lottery are to be paid to individuals employed in a management or consulting capacity, or in the capacity of distributing or selling tickets;

2. where pyramiding of games is planned, whereby the total prize

value is allowed to accumulate beyond the value indicated in the licence application;

3. where razzle-dazzle, roll down, three-card monte, coin table, or any dice games are to be operated. These games are prohibited by the Criminal Code;

4. where liquor is to be awarded as a prize, as this is prohibited by The Liquor Control Act.

IS THERE A LICENCE FEE?

No. If the retail value of the prize is \$100.00 or less, but a licence is still necessary.

Yes. Where the retail value of the prize is over \$100.00, the following fees must accompany the application:

1. where the retail value of all the prizes is over \$100.00 but not more than \$1,500.00, the licence fee is \$5.00

2. where the retail value of all the prizes is over \$1,500.00 but not more than \$5,000.00, the licence fee is \$10.00

3. where the retail value of all the prizes is over \$5,000.00 but not more than \$50,000, the licence fee is 3% of the retail value of all the prizes

4. where the retail value of all the prizes is over \$50,000.00, the licence fee is 5% of the retail value of all the prizes

If a licence is issued for a series of lotteries, for example, a series of bingo games over a period of weeks or months, the licence fee will be the lesser of the fee for the total value of the prizes to be awarded during the whole licence period, or the total licence fees if each event during the licence period was individually licensed.

The licence fee for "casino games" is \$5.00 per table or per game per day.

CAN A SERIES OF LOTTERIES BE AUTHORIZED IN ONE LICENCE?

Yes. A single licence can be issued for bingos or a series of raffle draws for a period not exceeding one year.

IS THERE A MINIMUM AGE LIMIT FOR PARTICIPATING IN LOTTERIES, PARTICULARLY BINGO GAMES?

No. The licensee should make a policy on this matter and make that policy known to the participants in order to avoid misunderstandings.

IS IT NECESSARY TO OBTAIN A LICENCE FOR A LOTTERY EVEN FOR A PRIZE OF SMALL VALUE?

Yes. It is an offence under the Criminal Code of Canada to conduct a lottery without a licence.

CAN OTHER GAMES OF CHANCE BE LICENSED?

Yes. Licences to conduct games commonly known as "blackjack", "crown and anchor", and "over and under" may be issued to qualified organizations. As the rules governing the operation of these games are complex, and conditions will be imposed regarding the betting limits, personnel, and accounting procedures, it is essential that full details of any such proposal be submitted to 714 Madison Building, 9919 - 105 Street, Edmonton, Alberta, T5K 2E8, at least eight weeks before the proposed event and before the organization enters into any commitments for rental of equipment, engagement of personnel and publicity for the proposed event.

SAMPLE FORMS OF APPLICATIONS, LOTTERY REPORTS, AND LICENCES.



APPLICATION FOR LICENCE TO MANAGE
AND CONDUCT A RAFFLE LOTTERY

ATTORNEY GENERAL

We, the undersigned, as two principal officers of record of _____
(name of organization)

_____ (address of organization)

apply for a licence to manage and conduct a raffle lottery at _____
(location, municipal address)

on the date and for the charitable or religious object or purpose, and in the manner described herein. We were authorized to make this application at a meeting of _____ held on _____, 19_____
(name of organization) (date)

1. Check one.

☐ A single draw to be held on _____ at _____
(date)

_____ (location, municipal address)

☐ A series of draws to be held on _____ (dates)

at _____ (address)

2. Is the organization registered under The Societies Act? Yes ☐ No ☐

If so, give registration number _____

3. The charitable or religious objects to which the proceeds are to be donated are: _____

4. Price of Tickets _____

5. Estimated Gross Revenue _____

Number of Tickets to be Printed _____

6. Area and Method of Ticket Sales _____

7. Estimated Expenses: _____

Cost of prizes _____

Advertising _____

Printing _____

Other (specify) _____

8. Description and Retail Value of Prizes _____

9. Describe how your organization will guarantee payment of prizes _____

10. The objects and activities of your organization are _____

_____ and the organization has been active for _____ years.

11. Number of members in organization _____

If a licence is granted, we undertake to comply with all the terms and conditions of such licence.

We understand the lottery may not be advertised outside the Province of Alberta, and that tickets may not be sold outside the Province of Alberta.

Signed _____

Print Name _____

Title _____

Address _____

Telephone No. _____

Date _____

Witness _____

ATTORNEY GENERAL

We, the undersigned, as two principal officers of record of _____

(name of organization)

(address of organization)

apply for a licence to manage and conduct a Bingo Lottery at _____

(location, municipal address)

at the dates and times, and for the charitable or religious object or purpose, and in the manner described herein. We were authorized to make this application at a meeting of _____
(name of organization)
held on _____ 19_____
(date)

1. Check one.

☐ A single bingo lottery to be held on _____ starting at _____ and concluding at _____
(date) (time) (time)

☐ A series of bingo lotteries to be held in the period from _____ to _____, each bingo starting at _____
(date) (date) (time)

and concluding at _____ and at the rate of _____. Once every week, or _____. Once every _____
(time)

(specify). Total number of events _____ to be held on Mondays, Tuesdays, Wednesdays, Thursdays, Fridays, Saturdays, Sundays (underline one).

2. Is the organization registered under The Societies Act? Yes ☐ No ☐

If so, give registration number _____

3. The charitable or religious objects to which the proceeds are to be donated are: _____

4. Admission price (include details of prices for extra cards, and Bonanza, pot-of-gold, etc., in addition to the price of admission) _____

5. Area and Method of Ticket Sales _____

6. Estimated Gross Revenue for each event: _____

7. Estimated Expenses for each event:

Cost of prizes _____

Advertising _____

Printing _____

Rental of Premises, and to whom payable _____

Other (specify) _____

8. Description and retail value of prizes to be awarded at each event _____

9. Describe how your organization will guarantee payment of prizes _____

10. The objects and activities of your organization are _____

and the organization has been active for _____ years.

11. Number of members in organization _____

If a licence is granted, we undertake to comply with all the terms and conditions of such licence.

We understand the lottery may not be advertised outside the Province of Alberta, and that tickets may not be sold outside the Province of Alberta.

Signed _____

Print Name _____

Title _____

Address _____

Telephone No. _____

Date _____

Witness _____



ATTORNEY GENERAL

R 20007

LICENCE

(name of organization)

(address of organization)

IS LICENSED TO MANAGE AND CONDUCT A RAFFLE LOTTERY SCHEME AT OR FROM THE

PREMISES MUNICIPALLY KNOWN AS _____

SUBJECT TO ALL THE TERMS AND CONDITIONS AS AGREED TO BY THE LICENSEE IN ITS APPLICATION, AND SUCH FURTHER TERMS AND CONDITIONS AS ARE NOTED BELOW, AND UPON THE DATE, OR DURING THE PERIOD SET OUT HEREIN:

1) DATE OR PERIOD _____

2) FREQUENCY _____

3) TOTAL VALUE OF ALL PRIZES AWARDED UNDER THIS LICENCE NOT TO EXCEED \$ _____
IN CASH OR RETAIL VALUE OF MERCHANDISE.

DATE OF ISSUE _____, 19____ LICENCE FEE \$ _____

NOT TRANSFERABLE

IT IS AN OFFENCE UNDER THE CRIMINAL CODE OF CANADA TO
ADVERTISE THIS LOTTERY OUTSIDE THE PROVINCE OF ALBERTA,
OR TO SELL TICKETS OUTSIDE THE PROVINCE OF ALBERTA.

LICENSING OFFICER



ATTORNEY GENERAL

B 30008

LICENCE

(name of organization)

(address of organization)

IS LICENSED TO MANAGE AND CONDUCT A BINGO LOTTERY SCHEME AT OR FROM THE

PREMISES MUNICIPALLY KNOWN AS _____

SUBJECT TO ALL THE TERMS AND CONDITIONS AS AGREED TO BY THE LICENSEE IN ITS APPLICATION, AND SUCH FURTHER TERMS AND CONDITIONS AS ARE NOTED BELOW, AND UPON THE DATE, OR DURING THE PERIOD SET OUT HEREIN:

1) DATE OR PERIOD _____

2) FREQUENCY _____

3) TOTAL VALUE OF ALL PRIZES AWARDED UNDER THIS LICENCE NOT TO EXCEED \$ _____
IN CASH OR RETAIL VALUE OF MERCHANDISE.

DATE OF ISSUE _____, 19____ LICENCE FEE \$ _____

NOT TRANSFERABLE

IT IS AN OFFENCE UNDER THE CRIMINAL CODE OF CANADA TO
ADVERTISE THIS LOTTERY OUTSIDE THE PROVINCE OF ALBERTA,
OR TO SELL TICKETS OUTSIDE THE PROVINCE OF ALBERTA.

LICENSING OFFICER



REPORT OF RAFFLE LOTTERY SCHEME

ATTORNEY GENERAL

This report to be completed
by two principal officers
of the organization.

Conducted by

(name of organization)

(address of organization)

for the Lottery completed _____, as authorized by licence issued by Attorney General's Department, Province of Alberta,
(date)

on _____,
(date of licence)

Price per ticket _____

Total number of tickets _____

printed _____

sold _____

unsold _____

Total Gross Receipts _____

Expenses

Cost of prizes _____

(Retail value if
different from cost _____)

Advertising _____

Printing _____

Other (specify) _____

Total Expenses _____

Net Proceeds _____

The receipts derived from the Lottery were maintained in _____

(name and address of bank or trust company)

The net proceeds in the sum of _____ were donated to _____

(name and address of organization)

on _____ and received by _____
(date)

(name and capacity of person to whom proceeds were forwarded)

I have examined the records and accounts of _____, with
(name of organization)

respect to the above described Lottery, and the information contained herein is correct to the best of my knowledge and belief.

Dated this _____ day of _____, 19 _____

Signed _____

Print name _____

Title _____

Address _____

Telephone No. _____

This report must be forwarded to 714 Madison Building, 9919 - 105 Street, Edmonton, Alberta, T5K 2E8, within thirty days after
the draw, or other determination of the prize winners.



REPORT OF BINGO LOTTERY SCHEME

ATTORNEY GENERAL

This report to be completed
by two principal officers
of the organization.

Conducted by

(name of organization)

(address of organization)

for the Lottery completed _____, as authorized by licence issued by Attorney General's Department, Province of Alberta,
(date)

on _____
(date of licence)

Date	Gross Revenue	Paid out in Prizes	Paid out in Expenses	Net Profit
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Gross Receipts _____

Expenses

Advertising	_____
Printing	_____
Other (specify)	_____
_____	_____
_____	_____
_____	_____

Total Expenses _____

Net Proceeds _____

The receipts derived from the Lottery were maintained in _____
(name and address of bank or trust company)

The net proceeds in the sum of _____ were donated to _____
(name and address of organization)

on _____ and received by _____
(date)

(name and capacity of person to whom proceeds were forwarded)

I have examined the records and accounts of _____, with
(name of organization)

respect to the above described Lottery, and the information contained herein is correct to the best of my knowledge and belief.

Dated this _____ day of _____, 19____

Signed _____

Print Name _____

Title _____

Address _____

Telephone No. _____

This report must be forwarded to 714 Madison Building, 9919 - 105 Street, Edmonton, Alberta, T5K 2E8, within thirty days after the draw, or other determination of the prize winners.

